

TRANSMITTAL SLIP		DATE 2 JUN 1976	
TO: OLC			
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REMARKS:			
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FROM:			
O/Compt			
ROOM NO.	BUILDING	EXTENSION	

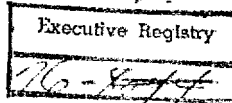
FORM NO. **241**
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WHICH MAY BE USED.


(47)

THE WHITE HOUSE
WASHINGTON

May 17, 1976



MEMORANDUM FOR DEPARTMENT AND AGENCY OFFICIALS

FROM: EDWARD C. SCHMULTS 
SUBJECT: Agenda for Government Reform Act

On Thursday, May 13, the President sent to Congress legislation which establishes a comprehensive, four-year agenda for regulatory reform. The bill entitled the "Agenda for Government Reform Act," sets forth a specific timetable for reform and commits both the President and Congress to developing and acting on needed reforms each year.

The legislation proposes the following agenda for reform:

Bob:

What about R

1977	Transportation and Agriculture
1978	Mining, Heavy Manufacturing and Public Utilities
1979	Light Manufacturing and Construction
1980	Communications, Finance, Insurance, Real Estate, Trade and Services

Each year, the President would assess the cumulative impact of government regulatory activities on specified sectors of the economy and submit specific reform proposals to the Congress. If Congress had not acted on these reforms by November 15, the President's original proposals would become the pending business on the floor of both the House and Senate and remain so until acted upon by each house.

Attached for your information are copies of:

- the Presidential Message to Congress
- the legislation and section-by-section analysis
- a fact sheet

The Senate Government Operations Committee will begin hearings on this and other broad reform legislation on Tuesday, May 18.

Should you need additional information, please do not hesitate to call me, Paul Leach of the Domestic Council, or Stan Morris in OMB.

COMPT
RECORD COPY

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

Our American economic system has been built upon individual initiative and freedom to strive to achieve our economic goals. In an increasingly complex society, however, the role of government has been to assist in the search for solutions to our National problems. But in many cases, government imposed solutions have created new problems and mandated excessive costs on our society. Over the years, we have departed from the reliance on individual initiative and consumer choice. We have expanded government's role and created a rigid system which has become less able to respond to changing conditions.

The growth of government expanded rapidly in the Depression era. New government agencies were created to resolve our economic and social problems -- to help reduce unemployment, to stabilize financial markets, and to protect failing businesses. As a result of a proliferation of such government agencies since then -- all designed to solve an increasing variety of problems -- we have come to expect the Federal Government to have all the answers -- more and better housing -- an efficient transportation system -- improved health care -- and equal opportunities in the job market.

In our compassionate desire to solve urgent human problems, we have given the Federal Government the power to regulate more and more of our economy and our way of life. Over the years, regulation has been considered an inexpensive, easy answer to some very complex problems. Now, we are beginning to realize how high the costs are of what appeared to be the easy solutions of the past.

Federal programs and bureaucracies have grown geometrically. In the last fifteen years 236 departments, agencies, bureaus and commissions have been created while only 21 have been eliminated. Today we have more than a thousand different Federal programs, more than 80 regulatory agencies, and more than 100,000 government workers whose primary responsibility is to regulate some aspect of our lives.

My Administration has made the reform of government regulation one of its highest priorities. We have initiated a national debate on the role that government regulation should play in our economy. In the past year, we have achieved the most significant and comprehensive progress toward reform in three decades. At the same time we have moved toward a more open and vigorous free market in which consumers have available a wider range of goods and services to choose from and where businessmen have a greater opportunity to run their own businesses.

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For example:

- We have reversed the trend of paperwork growth and reduced regulatory delays.
- We have repealed the Federal fair trade laws which created artificially high consumer prices.
- The Senate has passed the Financial Institutions Act which is the most sweeping reform of banking regulation in over 40 years.
- We have increased civil and criminal penalties for antitrust violations to insure that competition flourishes.
- We have interjected competition into the setting of stock brokerage fees for the first time since the major stock exchanges were established almost 200 years ago.
- We have reduced the amount of ICC regulation of railroads for the first time since the creation of that agency in 1867, and have proposed comprehensive and long overdue reforms of airline and motor carrier regulation.

These are important steps, but they are only a beginning. We need a better understanding of the combined effects of all government regulatory activities on our economy and our lives. We need to eliminate contradictions and overlaps. We need to abolish outdated and unnecessary regulation. We need to strengthen the effectiveness of Congressional oversight of government operations.

To meet these needs, I am today submitting the Agenda for Government Reform Act which would establish a four-year action program to work toward these goals. It would produce comprehensive reforms to:

- guarantee that government policies do not infringe unnecessarily on individual choice and initiative nor intervene needlessly in the market place.
- find better ways to achieve our social goals at minimal economic cost.
- insure that government policies and programs benefit the public interest rather than special interests.
- assure that regulatory policies are equitably enforced.

This legislation would require the President to develop legislative reform proposals by January 31 of each year, and Congress would be required to act upon them. Such a disciplined approach will help focus attention on major, yet often neglected, aspects of government activities. This Agenda will require the assessment of the cumulative impact of government actions on major sectors of the economy and build a rational basis for more informed trade-offs between broad economic goals, such as more jobs and lower prices, and specific regulatory objectives, such as cleaner air and adequate rural services. And it will help identify the hidden costs imposed on the economy by government regulation.

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This legislation is the product of joint Congressional and Executive branch interest in seeking long term solutions to our regulatory problems. Senators Charles Percy and Robert Byrd have been leaders in pressing for comprehensive reforms. In the House of Representatives, Congresswoman Barbara Jordan and Congressman John Anderson have also introduced systematic reform legislation. My legislation addresses similar concerns. I look forward to working with Congress to achieve our common goals.

Let me stress that this new program must not delay reform efforts now underway. This new legislation is a complement not a substitute for the on-going administrative improvements and legislative proposals I have already announced. My Administration will continue to press forward with reduction of unnecessary and burdensome regulation and elimination of government-imposed paperwork and red tape. We will continue to make administrative improvements wherever possible, and to obtain congressional action on proposals for increased competition in regulated industries.

This is an ambitious program. But I believe it is possible to make our regulatory system responsive to the concerns of all Americans. They demand and deserve nothing less. I ask the Congress to act quickly on this legislation so that together we may begin to create a legacy of economic prosperity for future generations.

GERALD R. FORD

THE WHITE HOUSE,

May 13, 1976.

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A BILL

To Set an Agenda for Government Reform

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Agenda for Government Reform Act

Section 2(a)(1). Whereas the American economic system was founded on the principles of competition and minimal government intervention in the marketplace;

(2) Whereas the federal government's role in the national economy has grown through regulatory controls designed to achieve economic objectives and to safeguard public health and safety;

(3) Whereas the costs and benefits of federal regulatory activities are not always understood and these activities sometimes are confusing, contradictory, dilatory or overlapping; and

(4) Whereas the Congress and the President are responsible for the creation, oversight, and execution of these federal regulatory activities and for insuring that they are consistent with the achievement of other important national goals.

(b) Therefore the Congress finds that it is in the public interest for the President and the Congress:

(1) To examine systematically, with substantial public participation, federal regulatory activities in order to determine their impact on the nation's economy, consumers, and taxpayers; and

(2) To eliminate excessive regulatory constraints on the economy; develop better, less costly means of protecting public health and safety; reduce federal paperwork requirements; eliminate unnecessary delay; and streamline the regulatory bureaucracy.

(c) It is the purpose of this Act to achieve positive and lasting reforms of federal regulatory activities through increased participation by the American people, more effective legislative oversight by the Congress, and systematic action by the President. To achieve these purposes, this Act:

(1) Contemplates that the President will obtain the views of concerned Americans on the Nation's regulatory problems and their solutions;

(2) Requires an analysis of the costs and benefits of government regulatory activities;

(3) Commits the President to develop major legislative recommendations in each of the next four years; and

(4) Commits the Congress to act on needed reforms, provided that nothing contained herein should be construed

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as indicating a Congressional intent to discourage or forestall submission or consideration of any legislative proposal dealing with federal regulatory activity at times earlier than those prescribed in Section 4(a) of this Act.

Section 3. For purposes of this Act:

(a) "Agency" has the same meaning as provided in Section 552(e) of title 5, United States Code; and

(b) "Federal regulatory activity" means any systematic action taken by the federal government or an agency thereof, except by its powers of taxation, which may, directly or indirectly, affect economic performance, prices or employment.

Section 4(a). No later than the dates indicated below in this subsection, the President shall submit proposals containing the information described under Section 4(b) with respect to such statutes and agencies as the President elects to include in the following areas:

(1) By the last day of January 1978, the transportation and agriculture industries. The proposal must consider the activities of the Department of Agriculture, the Department of Transportation, the Civil Aeronautics Board, the Interstate Commerce Commission, the Federal Maritime Commission, and such other agencies as the President may determine.

(2) By the last day of January 1979, the mining, heavy manufacturing, and public utilities industries. The proposal must consider the activities of the Department of the Interior, the Environmental Protection Agency, the Federal Energy Commission, the Federal Power Commission, the Nuclear Regulatory Commission, and such other agencies as the President may determine.

(3) By the last day of January 1980, the light manufacturing and construction industries. The proposal must consider the activities of the Department of Health, Education, and Welfare, the Department of Housing and Urban Development, the Department of Labor, the Consumer Product Safety Commission, the National Labor Relations Board, the Equal Employment Opportunity Commission, and such other agencies as the President may determine.

(4) By the last day of January 1981, the communications, finance, insurance, real estate, trade, and service industries. The proposal must consider the activities of the Department of the Treasury, the Federal Trade Commission, the Securities and Exchange Commission, the Small Business Administration, the Federal Communications Commission, and such other agencies as the President may determine.

(b) Each proposal submitted by the President pursuant to subsection (a) shall include the following:

(1) An identification of the purposes intended to be achieved by the enactment of legislation authorizing the federal regulatory activity;

(2) An identification of the economic, technological, social or other conditions determined by Congress to have justified enactment of legislation authorizing the federal regulatory activity;

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(3) An analysis of whether the federal regulatory activity, as authorized and as implemented, has achieved its intended purposes;

(4) An analysis of whether the purposes sought to be achieved by the enactment of legislation authorizing the federal regulatory activity remain valid goals in light of present economic, technological, social or other conditions;

(5) An analysis of whether legislation authorizing federal regulatory activity has complementary, duplicative or conflicting purposes and effects;

(6) An analysis of whether the benefits of the federal regulatory activity outweigh the costs;

(7) An analysis of any reasonable alternative means of achieving the intended purposes of the federal regulatory activity; and

(8) The President's recommendation for reform, elimination or continuation of legislation authorizing the federal regulatory activity.

Section 5. The provisions of this Section are enacted by the Congress:

(1) As an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) With full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(a) The President shall submit each proposal required under Section 4 to the Congress and separately transmit such proposal to the Speaker of the House of Representatives and the President pro tempore of the Senate.

(b) Each proposal submitted under Section 4(a) shall be referred:

(1) To the appropriate standing or special committees of the House of Representatives having legislative jurisdiction or oversight responsibilities with respect to the subject matter of such proposal;

(2) To the appropriate committee or committees of the Senate having legislative jurisdiction or oversight responsibilities with respect to the subject matter of such proposal; and

(3) To such joint committee as the Congress may designate or establish for this purpose.

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(c) The committees to which a proposal is referred under this Section shall review such proposal and report a bill approving or disapproving such proposal in whole or in part, with such amendments as are deemed appropriate. Such reports shall be joint reports if agreement between or among such committees can be made with respect to any such proposal(s), but otherwise shall be separate reports. In the event that the Congress has failed to enact a bill, as called for by Section 4 of this Act, by the 15th of November of each specified year, then the proposal submitted by the President in such year, pursuant to Section 4 of this Act, shall become the pending order of business in the House of Representatives and the Senate. It shall remain the order of business until acted on by each House.

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SECTION-BY-SECTION ANALYSIS

Agenda For Government Reform Act

Section 2 -- Findings and Purposes

This section details the Congressional findings and articulates the purposes of the Act. It stipulates that the American economic system was founded on a strong belief in competition and minimal government intervention. It recognizes that federal regulatory actions designed to achieve economic, health or safety objectives have increased over time, and that conflicts, overlaps, delay, or confusion sometimes exist in government regulations. It states that it is incumbent upon the Congress and the President to examine and reform these regulations in order to make sure that regulatory purposes remain valid and regulatory enforcement is equitable and efficient.

The purpose of the Act is to achieve positive and lasting federal regulatory reforms. To accomplish this, greater participation by the American people, more effective Congressional oversight, and more systematic actions by the President are needed. The bill requires the President, in each of the next four years, to submit specific proposals for the reform of federal regulatory activities affecting certain sectors of the American economy. His legislative proposals would be accompanied by a report to the American people and the Congress. The House and Senate would agree to consider the President's proposals before the end of the year if they have not enacted a reform bill earlier.

An important feature of this section stipulates that the timetable set up by the legislation is not intended to constrain in any way the President's right to propose or the authority of the Congress to consider any regulatory legislation. If Congress and the President decide that regulatory legislation is needed prior to the calendar laid out in the Act, their immediate action on that legislation would not be delayed by this bill. Of course, the President would continue to implement administrative reforms affecting Executive branch agencies.

Section 3 -- Definitions

This section defines the terms "agency" and "federal regulatory activity". The latter includes any systematic action taken by the federal government, except through its powers of taxation, which broadly impacts the American economy, consumers, or taxpayers. A broad definition of regulatory activity will allow the President flexibility to recommend changes in many areas -- e.g., statutes pertaining to regulations, non-tax subsidies and credit assistance, government procurement, etc.

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Section 4 - Timetable for Reform

This section lays out the sequence of proposals which the President will submit to Congress.

The legislation organizes the President's program around major industries. By January 31 of each of the following years, the President will submit proposals for reforms which appear to him most critical in the following areas:

- (a) By January 31, 1978 - The transportation and agriculture industries. This includes all aspects of the transportation system including water carriers, pipelines, local and suburban transit systems, transportation services, plant and live-stock industries, etc. and other industries. As a guideline, the President would examine at least those industries described in major groups 1-3, 40-47 of the Standard Industrial Classification Manual (SIC), 1972 edition.

In this area, the President would consider the activities of the National Highway Traffic Safety Administration in the Department of Transportation, the Animal and Plant Health Inspection Service in the Department of Agriculture, the Federal Maritime Commission, and any other agencies he deemed appropriate.

- (b) By January 31, 1979 - The mining, heavy manufacturing and public utilities industries. This includes mining, oil and gas extraction, paper, chemicals, petroleum refining, rubber, concrete, primary metals, machinery and transportation equipment, electric, gas, and sanitary services and other industries. As a guideline, the President would examine at least those industries described in major groups 10-14, 26, 28-30, 32-37, and 49 of the Standard Industrial Classification Manual (SIC), 1972 edition.

The President would consider activities of the Mine Enforcement Safety Administration in the Department of the Interior, the Environmental Protection Agency, Federal Energy Administration, Federal Power Commission, Nuclear Regulatory Commission, and any other agencies he deemed appropriate.

- (c) By January 31, 1980 - The light manufacturing and construction industries. This includes food processing, textiles and apparel, printing, measuring and controlling instruments, construction, and other industries. As a guideline, the President would examine at least those industries described in major groups 15-17, 20-25, 27, 31, and 33-39 of the Standard Industrial Classification Manual, 1972 edition.

The President would consider the activities of the Food and Drug Administration in the Department of Health, Education, and Welfare, the Occupational Safety and Health Administration in the Department of Labor, the Consumer Product Safety Commission, National Labor Relations Board, Equal Employment Opportunity Commission and any other agencies he deemed appropriate.

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- (d) By January 31, 1981 - The communications, finance, insurance, real estate, trade and services industries. This includes communications, banking, securities and commodities trading, the insurance business, and other industries. As a guideline, the President would examine at least those industries described in major groups 48, 50-99 of the Standard Industrial Classification Manual, 1972 edition.

The President would consider the activities of the Treasury Department, the Federal Trade Commission, Securities and Exchange Commission, Small Business Administration, Federal Communications Commission, and any other agencies he deemed appropriate.

Each yearly proposal must include analyses of relevant federal regulatory activities and be accompanied by the President's legislative recommendations for needed changes.

Section 5 -- Congressional Review

This section states that Congressional agreements for considering legislation are adopted as a change of rules in the House and Senate. It requires the President's legislation to be referred to the appropriate committees in the House and Senate, and to any joint committee established or designated for the purpose.

The committees would have until no later than November 15 of the year in which the proposal was originally submitted to report out and enact regulatory reform legislation. If at that time a bill had not been enacted, the President's original proposal would become the pending business in each House and remain the pending item until disposed of by each House.

The legislation does not request any authorization for additional funds. Existing resources will be used to carry out the reform agenda.

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EMBARGOED FOR RELEASE
UNTIL 12 NOON (EDT)

May 13, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

FACT SHEET

AGENDA FOR GOVERNMENT REFORM ACT

The President is sending to Congress today the proposed "Agenda for Government Reform Act" which would establish a timetable for the President and Congress to make comprehensive and fundamental changes in Government regulatory activities which affect the American economy. The legislation would:

- Require consideration of the views of the American people who want solutions to our regulatory problems.
- Require an analysis of the costs and benefits of Government regulatory activities.
- Commit the President to develop and submit major reform proposals to Congress no later than the end of January in each of the next four years.
- Encourage more effective Congressional oversight of the operations of Government and commit Congress to act on needed reforms each year.

The purposes of this legislation are to: eliminate excessive regulatory constraints on the economy; develop better, less costly ways to protect public health and safety; reduce federal paperwork requirements; eliminate excessive delay; and streamline the costly regulatory bureaucracy.

BACKGROUND

In October of 1974, President Ford launched a major program of regulatory reform. Since that time, significant administrative improvements have been achieved. A reduction in Government-imposed paperwork requirements has been accomplished. Major regulatory agencies have been asked to reduce delays, increase reliance on market competition, and improve consumer access to regulatory decisions.

In addition, legislation has been enacted to repeal fair trade laws, increase competition in the securities industry, and eliminate outdated railroad regulation. The President has also submitted legislative proposals to improve regulation of our airlines, motor carriers, and financial institutions.

The President will continue to stress the need for administrative improvements and to request Congressional action on pending reform proposals. The legislation he is submitting today builds upon and complements his earlier efforts and charts a specific course for the second phase of regulatory reform over the next four years.

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PRINCIPAL OBJECTIVES OF THE LEGISLATION

1. To encourage broad scale public participation in seeking practical solutions to complex regulatory problems. A fundamental re-examination of regulatory practices will foster increased public understanding of how the system works and how it affects individual Americans. And it will provide an opportunity for individuals in all walks of life to voice their concerns and register their ideas and suggestions for realistic reform.
2. To focus attention on the cumulative effect Government actions have on individual sectors of the economy. The results of this legislation would be to provide a better understanding of both the objectives and effects of regulatory actions -- thereby laying the foundation for lasting, commonsense solutions to our regulatory problems. Also, this legislation would permit the American people to make more informed trade-offs between desirable regulatory goals such as environmental protection and energy conservation.
3. To minimize the costs which Government programs impose on taxpayers and the general economy. Paperwork requirements, unnecessary program duplication, costly delay and burdensome compliance requirements multiply the cost of Government intervention -- often without providing commensurate benefits in return. The legislation would help identify the cumulative costs of Government activities which must be borne by all Americans.
4. To require the President and Congress to act on concrete reforms according to a specific schedule. This legislation would commit both the President and Congress to cooperate in the development and implementation of needed reforms according to a systematic, agreed-upon schedule. Close cooperation between Congress and the Executive will encourage the public to work in concert with their Government to build a more rational regulatory system.

NEED FOR OVERALL REFORM

In general, each time a new national problem is identified, a new Federal program or agency is established to address it. Often, because solutions must be found quickly, new policies or organizations are created without sufficient attention to their indirect economic effects, or to the overlap and duplication which may result.

Once established, these programs and agencies strongly resist change. Even where regulations are having a negative effect or are competing with other national objectives, the "status quo" tends to prevail. Generally, regulatory problems are caused not by a single regulation but by the cumulative effect of many Government regulations. Business, labor, and consumers find it difficult to become actively involved in changing a system that is confusing, overlapping, and complex.

The American economy is divided into many sectors. Government regulatory activities affect these sectors in different ways and to varying degrees. For example, environmental regulations have a greater impact on the transportation industry than they do on the financial community and small businesses often feel the effects of Government proportionately more than large corporations do. Each industry faces its own unique regulatory problems. And presently, the cumulative effects of Government regulatory activities on any given industrial sector are unknown.

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TIMETABLE FOR REFORM

The Agenda for Government Reform Act would establish a four-year program of fundamental reform. Each year, the President would assess the cumulative effects of Government regulatory activities on major economic sectors and develop legislative proposals for change along the following agency lines (example only):

<u>Year</u>	<u>Sectors of the Economy</u>	<u>Agencies Considered for Legislative/Administrative Action</u>
1977	Transportation & Agriculture - transportation industry including water carriers and pipelines - crop and livestock production - forestry - fishing	National Highway Traffic Safety Administration, DOT Federal Maritime Commission Animal and Plant Health Inspection Service, USDA Agricultural Marketing Service, USDA U.S. Forest Service, USDA Interstate Commerce Commission Civil Aeronautics Board
1978	Mining, Heavy Manufactur- ing and Public Utilities - pulp and paper indus- tries - chemicals - petroleum refining - rubber/plastics - stone/glass/concrete - automobiles - primary metals - fabricated metal - machinery - electric, gas, sanitary services	Mine Enforcement and Safety Administration, Department of the Interior Environmental Protection Agency Federal Energy Administration Federal Power Commission Nuclear Regulatory Commission
1979	Light Manufacturing and Construction - housing and other construction - general contractors - special trade contractors - food processing - textiles - lumber & wood products - printing & publishing	Occupational Safety and Health Administration, Department of Labor Food and Drug Administration, Department of Health, Educa- tion, and Welfare Department of Housing and Urban Development Equal Employment Opportunity Commission Consumer Product Safety Commission
1980	Communication, Finance, Insurance, Real Estate, Trade, Services - banking, credit & insurance - real estate - broadcasting - wholesale & retail trade - business & personal services	Securities and Exchange Commission Department of the Treasury Federal Trade Commission Federal Communications Commission

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ORGANIZATION OF THE REFORM EFFORT

The agenda begins with areas where significant analysis has already been done so that recommendations can be developed quickly.

The White House will coordinate the efforts in each of the four areas. Once the President's proposal is passed:

- . Basic research and public participation in developing major issues will begin simultaneously in each of the areas.
- . Public hearings will be held in all parts of the country to assure that the President has the best thinking available.
- . Each year, the President will submit specific legislative proposals to Congress for action and provide a report to the Congress and the American people on the nature and extent of Government intervention in the economy, including an analysis of the costs and benefits of regulatory activities.
- . The President will direct agencies to make administrative improvements where necessary.

Where regulatory activities affect a wide range of industries -- environmental regulations or occupational health and safety standards, for example -- it may be desirable to defer recommendations for any fundamental changes until a number of different sectors have been examined. The agenda identified in this legislation takes this into account and postpones major recommendations on cross-cutting regulations until sufficient data is available. Thus, although analysis of the effects of OSHA regulations on the transportation and agricultural industries will begin in the first year, major recommendations for any fundamental changes in these areas may not be made until after the President has considered their impact on mining, construction, and manufacturing.

Each year, the President is required to submit reform recommendations to Congress by the end of January. These recommendations are then reviewed by the appropriate Congressional committees. If the House and Senate have not acted on reform legislation by November 15, the President's proposals become the pending business on the floor and remain so until acted on by each House.

SECTION-BY-SECTION ANALYSIS

Section 2 sets forth the findings of the Congress and the purposes of the Act. It points out that although the American economic system was founded on the principles of market competition and minimal Government intervention in the private sector, the Government's role in the economy has grown over the years. In many cases, its regulatory responsibilities have become confusing, overlapping and contradictory. The direct and indirect costs and benefits of regulatory activities are not clear.

Accordingly, the purpose of the legislation is to achieve positive and lasting reform of Federal regulatory activities with increased public participation, more effective Congressional oversight and systematic Presidential action.

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AGENDA FOR GOVERNMENT REFORM

SECTORS OF THE ECONOMY

(Examples of Agencies considered for Legislative & Administrative Action)

- Transportation & Agriculture, e.g.,
 - transportation industry including water carriers and pipelines
 - plant and livestock industries
 - forestry
- Mining, Heavy Manufacturing and Public Utilities, e.g.,
 - oil and gas extraction
 - petroleum refining
 - electric utilities
 - iron and steel industries
 - chemicals
 - automotive industry
- Light Manufacturing and Construction, e.g.,
 - food processing
 - printing
 - textiles
 - housing and other construction
- Communication, Finance, Insurance, Real Estate, Trade, Services, e.g.,
 - banking
 - broadcasting
 - retail and wholesale trade
 - business and personal services

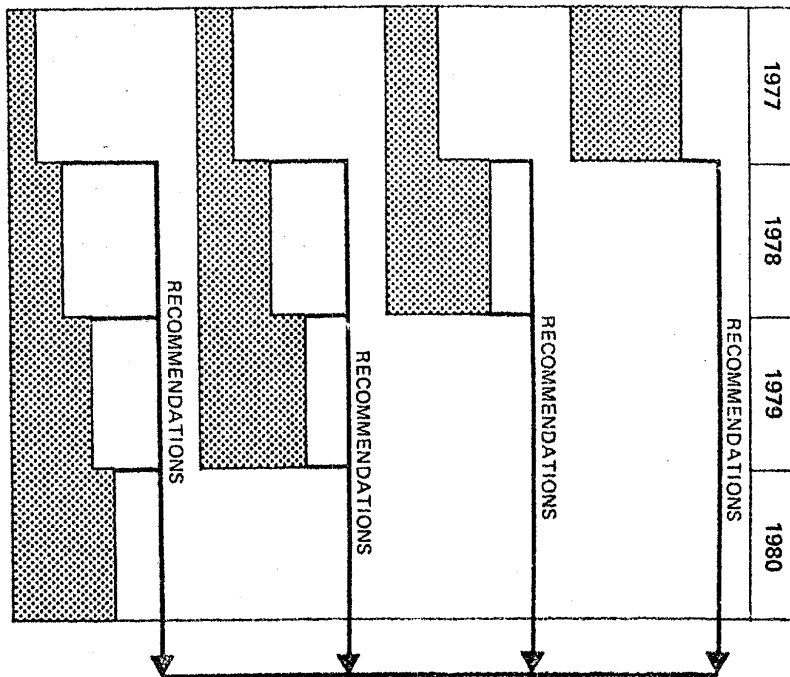
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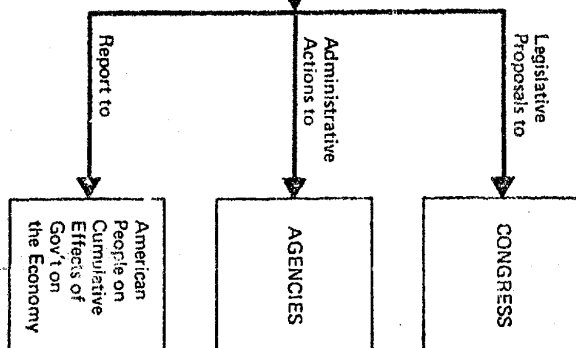
HUD
HEW
EEOC
CPSC
OSHA

Treasury
FTC
FCC
SEC

TIMETABLE



ANNUAL RESULTS



The bill would require the President to develop legislative reforms every year for the next four years. It would require Congress to act on these reforms without delay.

Section 3 defines the specific terms used in the legislation including "agency" and Federal regulatory activity."

Section 4 specifies the sequence in which reform proposals are to be developed. The timetable is described in detail above in this fact sheet. This section requires that each Presidential proposal include among other things an identification of the original purposes of the regulatory activity under review, an assessment of the effectiveness of the regulation, and specific recommendations for reform, elimination, or continuation of the particular regulatory activity.

Section 5 explains Congressional responsibilities under the Act. It specifies that reform proposals be referred to appropriate committees in the House and Senate and would require Congress to act on reform legislation by November 15th of each year. If the two Houses of Congress should fail to do so, the President's reform proposals would become the pending business of the House and Senate and remain so until acted on by each House.

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Journal - Office of Legislative Counsel
Friday - 28 May 1976

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13. [REDACTED] LEGISLATION Met with Tom Hart, Senate Judiciary Committee staff, and discussed our problems with the financial disclosure provision in S. 495, Watergate Reform Act. Hart suggested an Agency position letter be sent to Chairman James Eastland (D., Miss.). He is certain the bill has no chance of passage but agreed it is best to have the legislative history.

25X1

16. [REDACTED] LEGISLATION At the request of [REDACTED] DD/OP, I called Dick Fuller, Senate Post Office and Civil Service Committee staff, and inquired as to when Senate floor action would be scheduled on H. R. 3650, a bill concerning reemployed annuitants. Fuller said it is not possible to project when the bill will come up, but assured me that it should pass easily when considered. I alerted [REDACTED] who will start gearing up to meet the impact of the legislation. The bill would require all agencies to bear the full cost of the salaries of reemployed annuitants, rather than most of the salary coming from retirement funds.

25X1

SECRET

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Approved For Release 2006/02/07 : CIA-RDP77M00144R001100210010-9

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25 MAY 1976

OLC 76-1322/a

MEMORANDUM FOR: Director of Personnel

FROM: [REDACTED]
Acting Legislative Counsel

VIA: John F. Blake
Deputy Director for Administration

SUBJECT: Request for Legislative Action to
Provide Death Gratuity Benefits

REFERENCE: Your Memo dated 5 May 1976, Same Subject

1. We agree that every effort should be made to obtain equity for our employees with respect to death gratuity benefits.

2. We are considering several possible legislative initiatives for the current Congress, which could serve as appropriate vehicles for legislation authorizing death gratuity benefits for dependents of Agency employees who die overseas in the performance of duty. Consideration is being given to a type of [REDACTED]

[REDACTED] and other "loose ends." Of course, the DDA will be consulted in developing such legislation. In addition, we remain alert for opportunities to amend legislation already pending before Congress where feasible. In this regard, active consideration of the Michel bill, protecting from public disclosure the identities of clandestine intelligence personnel, may produce a climate for, if not an appropriate vehicle for, such legislation if it becomes active later this session.

STANDARD

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OLC:WPB: sm (24 May 76)

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76-2260

7 MAY 1976

OLC 76-1322

MEMORANDUM FOR: Legislative Counsel

FROM : F. W. M. Janney
Director of Personnel

VIA : Deputy Director for Administration

7 MAY 1976

SUBJECT : Request for Legislative Action to
Provide Death Gratuity Benefits

1. The State Department/USIA Authorization Act, Fiscal Year 1975, P.L. 93-475, contained a provision authorizing the Secretary of State to pay a gratuity in the amount of one year's salary to certain surviving dependents of Foreign Service employees who die as a result of injuries sustained in the performance of duty outside the United States. An OGC opinion in May 1975 (attachment A) indicated that the provisions of the law could not be adopted by the Director of Central Intelligence.

2. The possibility of obtaining legislation to provide similar death gratuity benefits for dependents of Agency employees who die overseas in the performance of duty has been a matter of continuing interest to the Office of Personnel. It is understood in discussions with representatives of OLC that there has not as yet been an appropriate opportunity to introduce such legislation. [REDACTED] 25X1

[REDACTED] 25X1
[REDACTED] In order to obtain equity for our employees and their dependents, we recommend that every effort be made to initiate legislative action on this matter.

[REDACTED] 25X1
F. W. M. Janney

Atts

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E-2 IMPDET CL B

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PERMS 15-1179

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OGC 75-1809

8 May 1975

MEMORANDUM FOR: Special Support Assistant to the DDA

SUBJECT : Authority to Adopt Student Travel and Death
Gratuity Benefits Available to the Department
of State

REFERENCES : A. Memo to DCI fm Gen. Counsel and Leg. Counsel,
dtd 23 Aug 67 (OLC 67-0175), Subj: Legislative
and Administrative Authority for Payment of
Travel Expenses, Allowances, and Other Fringe
Benefits to Agency Employees

B. Memo fm Ex. Dir-Compt. to DD/S, dtd 10 Oct 67
(OGC 67-1935), Subj: Administrative Authorities

93-475
1. You have requested the opinion of this Office on whether the Agency may adopt a certain student travel benefit granted to employees of the Department of State (including USAID) and the U.S. Information Agency (USIA) and a certain death gratuity payment granted to the surviving dependents of Foreign Service employees by the "State Department/USIA Authorization Act, Fiscal Year 1975," P.L. 93-747, 88 Stat. 1439, October 26, 1974. Specifically, the travel benefit permits the student dependent of a State (including USAID) or USIA employee to make an annual round trip between the employee's post of assignment and a secondary school or college in the U.S. instead of the one trip per type of education now provided within the Overseas Differentials and Allowances Act (O.D.A.). 5 U.S.C.A. 5924(4)B. The death gratuity benefit authorizes the Secretary of State to pay a gratuity to the surviving dependents of any Foreign Service employee who dies as a result of injuries sustained in the performance of duty outside the United States. The amount of the gratuity may equal one year's salary at the time of death.

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3. Referent memoranda are the basic papers on the practice of the Agency in recent years of adopting administrative authorities rather than seeking legislation to gain equal benefits for its employees. This paper does not need either to address itself to or to comment upon this practice. In reviewing the various adoptions which have been made in recent years, we note that almost all of the adoptions were of benefits which have been provided in legislation (or in regulations promulgated thereunder) couched in "positive" language, whereas the language of the student travel benefit contains both "positive" and "negative" language, to wit:

The first sentence of section 5924(4)B of title 5, United States Code, is amended by striking out 'one trip each way for each dependent' and inserting in lieu thereof the following: 'one annual trip each way for each dependent of an employee of the Department of State or the United States Information Agency, or one trip each way for each dependent of any other employee.' [Emphasis added.] Section 13, P.L. 93-747.

Thus, the limitation ("negative" language) of one trip each way for each type of education is explicitly continued for the student dependents of employees of all Government agencies except State, USAID and USIA. This inequity apparently results because jurisdiction for Government benefits in general, and the O.D.A. in particular, rests in the Post Office and Civil Service Committees of the House and Senate. The Foreign Relations Committee of the Senate included language in its proposed State/USIA appropriations act which would have extended this benefit to all Government employees stationed abroad. The bill prepared by the House Committee on Foreign Affairs contained no similar provision. The

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Conference Report (No. 93-1447, Oct. 8, 1974) substitute limited this benefit, apparently because the committee of conference felt that the Foreign Relations and Foreign Affairs Committees were without jurisdiction to extend it to all Government employees.

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* The Report of the Senate Committee on Foreign Relations (No. 93-838, May 9, 1974) and the Report of the House Committee on Foreign Affairs (No. 93-1241, July 31, 1974) contain somewhat confusing, and possibly conflicting figures for the total number of U.S. nationals serving the Government overseas. It does not appear, however, that the total of State, USAID and USIA employees constitutes a majority of U.S. citizens serving overseas.

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